manufactured products, accruing from a high statistical base in the corresponding period in 2008. Despite the fall in overall inflation, inflation in essential commodities continues to remain high, on account of lower agricultural production in some crops, increase in the minimum support prices and growth in demand.

Housing loan interest rate

303. SHRIMATI T. RATNABAI: Will the Minister of FINANCE be pleased to state:

(a) whether Government has any proposal to give loans at the rate of 6.5 per cent for the housing sector to boost its image;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) what is the present status of loans for the housing sector for loan amount of rupees 5, 10, 15, 20 and 25 lakhs in each State especially in Andhra Pradesh where the people of Scheduled Caste/Scheduled Tribe are demanding to give loans at low level?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) There is no proposal of the Government to give loans at the rate of 6.5% for the housing sector at present. Rates of interest above Rs.2 lakh are deregulated and are determined by the banks themselves.

(d) Data on loans for the housing sector in the manner desired is not being maintained by the Reserve Bank of India (RBI). However, keeping in mind the interests of the common man, an incentive package was announced for the housing sector on 16.12.2008 by the Indian Banks Association (IBA) under which the public sector banks are providing new housing loans up to Rs.5 lakhs at a rate of interest which is not to exceed 8.5% p.a. for the first five years. For housing loans from Rs.5 lakhs to Rs. 20 lakhs, the rate of interest is not to exceed 9.25% per annum for the first five years. As a further incentive, there are no processing charges, no pre-payment charges/penalty and a free insurance cover is to be provided to the borrower for the entire amount of outstanding loan.

Agriculture Credit

304. SHRI VIJAY JAWAHARLAL DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether the Public Sector Banks achieved the envisaged agriculture credit target of Rs. 250000 crores during the fiscal 2008-2009;

(b) if so, what are the projected targets of agriculture credit for 2009-2010;

(c) whether the repayments schedules are maintained;

(d) if not, what is the percentage of non-payments by farmers; and